valuation loss between the June Exchange Rate and December Exchange Rate is around Rs. 31143 crores;

(b) whether this kind of situation would ever occur or have occurred in any other country; and

(c) if so, how did they manage while India could not do it?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (c) Gains/losses on valuation of foreign currency assets and gold due to movements in the exchange rates and/or prices of gold are not taken to Profit and Loss Account of the RBI, but instead booked under a balance sheet head named as Currency and Gold Revaluation Account (CGRA). The balance represents accumulated net gain on valuation of foreign currency assets and gold. At the year-end, assets and liabilities in foreign currencies are translated at the exchange rates prevailing on the last business day except in cases where rates are contractually fixed. Exchange gains and losses arising from translation of foreign currency assets and liablities, which are essentially holding gains and not actual gains, are accounted for in CGRA and remain adjusted therein. The above reflects prudent accounting practice for Central Banks. The Annual Report of Reserve Bank of India for the year 2006-07 indicates the balances in the CGRA as at the end of June 30 were Rs. 51,276.41 crore in 2002-03, Rs. 62,283.04 crore in 2003-04, Rs. 26,906.21 crore in 2004-05, Rs. 86,789.18 crore in 2005-06 and Rs. 21,723.52 crore in 2006-07. As the US dollar — a widely held reserve currency — is depreciating against other major currencies, similar valuation losses could be reported in the balance sheets of the Central Banks of other countries, for which no separate information is available with the Government of India.

Duty free import of rubber

2372. SHRI T.T.V. DHINAKARAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is proposed to allow duty free import of rubber to meet the shortage;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) At present, there is no proposal under consideration for exemption of import duty on rubber.

(b) Does not arise in view of reply to part (a) above.

(c) At pre-budget, 2008-09 stage, we had received some requests for reduction of import duty on natural rubber, which were examined but not acceded to. Interests of all concerned including rubber growers have to be taken into account while considering any reduction in import duty on rubber.

Integrated policy for importing wheat and edible oils

†2373. SHRIMATI SUSHMA SWARAJ: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that need for formulation of an integrated policy for importing wheat and edible oil, is being felt;

† Original notice of the question was received in Hindi.

(b) if so, the details thereof; and

(c) the efforts being made by Government to provide adequate supply of wheat and mustard seeds to the States under the National Food Security Mission?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) Yes, Sir.

(b) The Government has been continuously reviewing the need for import of wheat and edible oils to ensure adequate availability and stable prices. About 7 million tons of wheat was imported by the public sector agencies during the last two years to take care of the needs of the Public Distribution System, Welfare Schemes, natural calamities, buffer stock etc. Government is also considering subsidized distribution of imported edible oils to benefit consumers, in particular, those belonging to BPL families through the State Governments.

(c) To provide adequate supply of wheat seeds. The National Food Security Mission (NFSM) envisages distribution of seeds at incentivized price, provide small kits of 5 kilogram seeds to some farmers for demonstration purposes and frontline demonstration of new varieties of seeds. Distribution of mustard seeds is not covered under NFSM.

Urban-Centric Economic Growth

2374. SHRI PENUMALLI MADHU: Will the Minister of FINANCE be pleased to state:

(a) whether Government is aware that the boom in real estate, the stock market and credit driven consumption are only urban-centric; and

(b) if so, the steps being contemplated by Government to boost domestic rural development driven consumption in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) Yes, Sir. There has been an all round growth in the real estate, stock market and credit driven consumption in the economy, some of which is perhaps more urban-centric than rural.

(b) The Government has taken several steps and are proposing some other to boost rural incomes and consumption in the country. These include the launching of the National Food Security Mission (NFSM) and the Rashtriya Krishi Vikas Yojana (RKVY) with a view to rejuvenate agriculture and improve farm incomes. In the budget proposal for 2008-09, the Government has announced a number of fiscal measures, including adjustments in personal income tax slabs, reduction in excise rates on a range of consumer goods, waiver of farm loans, all of which are likely to spur consumption in the farm and non-farm sectors of the rural economy. The extension of the National Rural Employment Guarantee Scheme to all districts of the country is also expected to contribute to an increase in consumption demand and, hence, growth in rural areas of the economy.

Recommendations of Committee on Financial inclusion

2375. SHRIMATI SUPRIYA SULE:

SHRI GIREESH KUMAR SANGHI:

Will the Minister of FINANCE be pleased to state:

(a) whether Government is considering a slew of measures to boost financial inclusion, taking off from the recommendation of the Committee on Financial inclusion;